

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF PENNSYLVANIA**

IN RE:	JOHN P. KERR,	:	Chapter 13
		:	
	Debtor	:	Bky. No. 22-10166 ELF
		:	

ORDER SCHEDULING SHOW CAUSE HEARING

AND NOW WHEREAS:

- A. The Debtor commenced this chapter 13 bankruptcy case on **January 24, 2022**.
- B. In his schedules, filed on **February 23, 2022** (Doc. # 16), the Debtor listed ownership of four (4) real properties:
1. his residence, 430 Ashley Drive, Hatboro, PA (“Ashley Drive”);
 2. 1230 Fuller St., Philadelphia, PA (“Fuller St.”);
 3. 7105 Oxford Avenue, Philadelphia, PA (“Oxford Ave.”; and
 4. 7134 Montour St, Philadelphia, PA (“Montour St.”).
- C. In the Debtor’s Fourth Amended Plan (“the Plan”) (Doc. # 92), filed on **October 3, 2022**, the Debtor provides as follows for the treatment of the mortgages secured by the above listed properties:
1. Ashley Drive: cure of prepetition default of \$130,445.08;
 2. Fuller St: cure of prepetition and postpetition defaults of \$70,590.27;
 3. Oxford Ave.: cure of prepetition and postpetition defaults of \$54,009.72; and
 4. Montour St.: cure of prepetition and postpetition defaults of \$61,284.67.
- D. Cure of prepetition defaults require maintenance of monthly instalments falling due postpetition. See 11 U.S.C. §1322(b)(2).

- E. According to the proofs of claim filed by the lenders holding mortgages on the above properties, the amount of the ongoing monthly instalments on the mortgages total approximately \$4,598.00, as follows:
1. Ashley Drive: \$1,631.00;
 2. Fuller St: \$1,182.00;
 3. Oxford Ave.: \$869.00; and
 4. Montour St.: \$916.00.
- F. Beginning in the eighth month of the Plan (September 2022), the Plan requires the Debtor to make monthly payments to the Chapter 13 Trustee (“the Trustee”) of \$6,626.32.
- G. The ongoing monthly mortgage instalments total approximately \$4,598.00.
- H. In the Debtor’s Amended Schedule J (Doc. # 69), filed on **August 29, 2022**, the Debtor disclosed total monthly expenses of \$3,453.10, which included the Ashely Drive monthly mortgage but which does not appear to make any reference to the three (3) other monthly mortgage payments.¹
- I. The monthly mortgage payments plus the Plan’s Trustee payment total approximately \$11,224.00 per month.
- J. In the Debtor’s Amended Schedule I (Doc. # 69), filed on **August 29, 2022**, the Debtor disclosed monthly income (from self-employment) of \$10,500.00.
- K. Based on the foregoing, the Plan does not seem feasible or, at least, its feasibility is not transparent.

¹ The Amended Schedule J also lists an expense for estimated taxes of \$100.00 per month, an amount that seems dubiously low. Other expenses in the Amended Schedule J also seem artificially low.

L. The Plan was confirmed on the Trustee's recommendation by order entered on **October 19, 2022**. (Doc. # 99).

M. Based on the foregoing, the order confirming the Plan may have been improvidently entered.

It is therefore **ORDERED** that:

1. A hearing shall be held on **November 1, 2022, at 11:30 a.m.** to consider whether the confirmation order should be **VACATED**.
2. The hearing will be conducted by video conference. The video link may be obtained from the Courtroom Deputy.

Date: October 20, 2022



ERIC L. FRANK
U.S. BANKRUPTCY JUDGE